



FEDERAL ELECTION COMMISSION

WASHINGTON, D.C. 20463

October 3, 2000

Patsy T. Hargrove, Treasurer
Eva Clayton Committee for Congress
307 W. Franklin Street
Warrenton, NC 27589

RE: MURs 5049

Dear Ms. Hargrove:

On September 28, 2000, the Federal Election Commission accepted the signed conciliation agreement and civil penalty you submitted in settlement of a violation of 2 U.S.C. § 441a(f), a provision of the Federal Election Campaign Act of 1971, as amended (the "Act"). Accordingly, the file has been closed in this matter.

The confidentiality provisions at 2 U.S.C. § 437g(a)(12) no longer apply and this matter is now public. In addition, although the complete file must be placed on the public record within 30 days, this could occur at any time following certification of the Commission's vote. If you wish to submit any factual or legal materials to appear on the public record, please do so as soon as possible. While the file may be placed on the public record before receiving your additional materials, any permissible submissions will be added to the public record upon receipt.

Information derived in connection with any conciliation attempt will not become public without the written consent of the respondent and the Commission. See 2 U.S.C. § 437g(a)(4)(B). The enclosed conciliation agreement, however, will become a part of the public record.

Enclosed you will find a copy of the fully executed conciliation agreement for your files. If you have any questions, please contact me at (202) 694-1650.

Sincerely,

A handwritten signature in cursive script that reads "Angela Whitehead Quigley".

Angela Whitehead Quigley
Attorney

Enclosure
Conciliation Agreement

BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of)	
)	
Eva Clayton for Congress Committee)	MUR 5049
and Patsy T. Hargrove, as treasurer)	
)	

CONCILIATION AGREEMENT

MUR 5049 was initiated by the Federal Election Commission ("Commission") pursuant to information ascertained in the normal course of carrying out its supervisory responsibilities. The Commission found reason to believe that Eva Clayton for Congress Committee and Patsy T. Hargrove, as treasurer ("Respondents") violated 2 U.S.C. § 441a(f).

NOW THEREFORE, the Commission and the Respondents, having participated in informal methods of conciliation, prior to a finding of probable cause to believe, do hereby agree as follows:

I. The Commission has jurisdiction over the Respondents and the subject matter of this proceeding, and this agreement has the effect of an agreement entered pursuant to 2 U.S.C. § 437g(a)(4)(A)(i).

II. Respondents have had a reasonable opportunity to demonstrate that no action should be taken in this matter.

III. Respondents enter voluntarily into this agreement with the Commission.

IV. The pertinent facts and violations of law in this matter are as follows:

1. Eva Clayton for Congress Committee was the principal campaign committee of Eva Clayton for her campaign for the Democratic nomination for the United States House of Representatives (North Carolina 1st District) in the 1998 primary.

2. Patsy T. Hargrove is the treasurer of Eva Clayton for Congress Committee.

3. A contribution is a gift, subscription, loan, advance, deposit of money, or anything of value made by a person for the purpose of influencing any election for federal office. 2 U.S.C. § 431(8)(A); 11 C.F.R. § 100.7(a)(1). The term "contribution" includes loans which are guarantees, endorsements, or any other form of security. 11 C.F.R. § 100.7(a)(1). A loan that exceeds the contribution limitation is a violation of the law at the time that the contribution is made and remains a contribution until it has been paid. 11 C.F.R. § 100.7(a)(1)(i)(B). Each endorser or guarantor of the loan is deemed to have contributed that portion of the loan for which he or she agreed to be liable in a written agreement or in proportion to the unpaid balance if no such agreement exists. 11 C.F.R. § 100.7(a)(1)(i)(C).

4. A person is prohibited from making contributions to any candidate and his or her authorized political committees with respect to any election for federal office which, in the aggregate, exceed \$1,000. 2 U.S.C. § 441a(a)(1)(A); 11 C.F.R. § 110.1(b)(1). No candidate or political committee may knowingly accept any contribution that violates the contribution limitations. 2 U.S.C. § 441a(f) and 11 C.F.R. § 110.9(a).

5. Theaoseus T. Clayton made a contribution in the amount of \$1,000 to the Respondents on December 22, 1997.

6. Eva and Theaoseus Clayton obtained a \$20,000 loan from Branch Banking & Trust Co. on December 24, 1997. Mr. Clayton was obligated for 50% of the loan.

7. A portion of the \$20,000 was used to make a \$12,000 loan to the Committee on December 24, 1997. Because Theaoseus T. Clayton was obligated for 50% of the \$20,000 loan, he made a \$6,000 contribution to the Committee.

8. The Respondents accepted an aggregate contribution amount of \$7,000 from Theaoseus T. Clayton.

9. The Respondents made a payment to Branch Banking & Trust Co. in the amount of \$4,000 on the promissory note obtained by Eva and Theaoseus Clayton.

V. The Respondents accepted an excessive contribution of \$6,000 from Theaoseus T. Clayton in violation of 2 U.S.C. § 441a(f) and 11 C.F.R. § 110.9(a).

VI. The Respondents will pay a civil penalty to the Federal Election Commission in the amount of \$1,500, pursuant to 2 U.S.C. § 437g(a)(5)(A).

VII. The Commission, on request of anyone filing a complaint under 2 U.S.C. § 437g(a)(1) concerning the matters at issue herein or on its own motion, may review compliance with this agreement. If the Commission believes that this agreement or any requirement thereof has been violated, it may initiate a civil action for relief in the United States District Court for the District of Columbia.

VIII. This agreement shall become effective as of the date that all parties thereto have executed same and the Commission has approved the entire agreement.

IX. Respondents shall have no more than 30 days from the date this agreement becomes effective to comply with and implement the requirements contained in this agreement and to so notify the Commission.

X. This Conciliation Agreement constitutes the entire agreement between the parties on the matters raised herein, and no other statement, promise, or agreement, either written or oral, made by either party or by agents of either party, that is not contained in this written agreement shall be enforceable.

FOR THE COMMISSION:

Lawrence M. Noble
General Counsel

BY:

Kim Leslie Bright
Kim Leslie Bright
Associate General Counsel

10/2/00
Date

FOR THE RESPONDENT:

Patsy J. Hargrove
Name
Position Treasurer

August 30, 2000
Date